



August 1, 2016

Ex Parte Notice

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

RE: *Connect America Fund, WC Docket No. 10-90; ETC Annual Reports and Certifications, WC Docket No. 14-58; Developing a Unified Inter-carrier Compensation Regime, CC Docket No. 01-92*

Dear Ms. Dortch:

On Friday, July 29, 2016, the undersigned on behalf of NTCA–The Rural Broadband Association (“NTCA”) met separately with Travis Litman, legal advisor to Commissioner Jessica Rosenworcel, and Amy Bender, legal advisor to Commissioner Michael O’Rielly, to discuss matters in the above-referenced proceedings.

During the meetings, NTCA encouraged the Federal Communications Commission (the “Commission”) to pursue a clear and transparent implementation schedule that will enable all reforms (model and non-model) to take effect at approximately the same time to the extent possible, and to provide carriers with sufficient estimates, calculations, and other data in advance of any implementation deadlines to help inform upcoming universal service fund (“USF”) support elections. In particular, NTCA noted the importance of providing data or analyses that would allow carriers to estimate, if not completely ascertain, the impacts of reforms still being implemented – specifically: (1) the new operating expense limits; (2) the competitive overlap rule; (3) any new buildout obligations; (4) the budget control as it might apply in 2017, and (5) the new capital investment allowance governing recovery of prospective investments via USF.

Turning to its pending Petition for Reconsideration and/or Clarification, NTCA continues to assert that questions of sufficiency and reasonable comparability of the USF programs and recovery of interstate costs are of the utmost concern as they affect consumers directly (in the form of substantially higher effective prices for broadband) and thus raise significant questions as to whether the reforms comport with statutory and other legal requirements. NTCA reiterated, however, that a top immediate reconsideration priority remains the management of USF budgets in the event of certain carriers electing but then subsequently declining model support. NTCA noted that, above all else, it is essential for the Commission to structure and conduct the model election in a way that does not leave non-model carriers with insufficient support by penalizing those carriers that did *not* elect the model due to the choices of those that expressed initial interest in the model but then “backed out of” a final election.

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Finally, NTCA urged the Commission to address several additional items presented in its Petition for Reconsideration and/or Clarification, such as clarification of the capital investment allowance, in the near-term as part of this same effort described above to provide carriers with sufficient data to make informed decisions with respect to USF support elections in coming months.

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano

Senior Vice President –

Industry Affairs & Business Development

cc: Travis Litman
Amy Bender